

Agriculture

policy which has forced them into the position of missing the Moscow Olympiad last year.

Do we as Canadians really understand and support the implications of this policy? Do we know that it has recently been applied in the United States to Mozambique, a very poor country? It was applied to Mozambique because that government dared to expel four U.S. diplomats whom it thought to be CIA agents. Do we as Canadians want to go along with this kind of policy which threatens physical starvation in return for actions which the U.S. does not like? Do we really value human life of innocent people so cheaply? I have yet to hear the Secretary of State for External Affairs (Mr. MacGuigan) address himself to these questions, although there is no limit to the bureaucratic statements he has made in trying to keep the United States happy.

This motion condemns the decision taken by the government on the embargo, but it goes further, or it should go further. We should look at it and find out what the level of compensation should be.

● (1540)

Three or four studies respecting compensation have been undertaken. The Minister of Agriculture has refused to tell the House and the public at what level farmers will be compensated or what grains will be subject to compensation.

There has been no progress in the last 17 months in relation to the embargo. One of the studies was undertaken by a very august group which is probably the best analyst of grain marketing in this country. I will read the following statement from the annual report of the Canadian Wheat Board:

However, having withstood much of the downward pressure from the expectation and harvest of large wheat and corn crops in the U.S., market prices in late December were showing signs of moving to higher levels in the winter. World demand remained strong with Chinese purchases continuing at a record level. The additional supplies of grain that could be provided by Canada during the winter months would be limited.

Then there was the embargo, prices went down and the Canadian Wheat Board will tell us that they went down, to the extent of a possible \$100 million loss to farmers on wheat alone. A study, which I asked the Library of Parliament to conduct, showed a \$150 million loss, or an average of approximately \$1,000 per farmer. These two figures are approximately the same; one takes into account all grains and the other wheat only.

I would like to spend a few minutes on another matter. Over the years the New Democratic Party has devoted much time and effort to protecting the Crow rate. The Crow rate has been and still is a cornerstone in the development of agricultural policy in the west. What many people tend to overlook in Crow rate debates is that the question is far broader than simply the cost of handling grain. If I could convince a few hon. members opposite and to my right of anything this afternoon, it would be that the Crow rate does not involve a question of transportation economics alone. Rather, it is a question of the political economy of western Canada. The farmers of the west realize this. They know that the Crow rate is part of their birthright as farmers, and they know that the provinces of Alberta and

Saskatchewan joined confederation with this rate in force at the time of joining. Therefore, it is a *de facto* constitutional guarantee to them, just as much as language and religion are to all of us. If the wider political economy of the west is taken into account when we consider the Crow rate and if we remove the Crow rate, we threaten the established agricultural economy of the west. The statutory Crow rate guarantee should not be removed, and variable rates should not be put in its place. That is what the railways wish to do. The railways dress terms up considerably and suggest such variable rates be called incentive rates. If those rates were put into place, we would simply allow the railway companies to increase the volume at certain points and effectively to abandon lines which do not pay, which would make it more costly for the farmer to get his grain to market.

The Crow rate problem involves the amount of money farmers will get. They are already in a price-cost squeeze. If additional transportation costs are added to their other costs, the pressure on them to get out of farming will be increased.

I see that the time allotted to me is coming to an end. I had wished to cover a number of other matters. One such matter is the price of land. The price of land has become a major factor in the cost of production. On Monday many speakers spoke about the cost of land, but no one suggested a basic solution. I suggest that the government should be considering some basic solutions such as controlling what land stays agricultural and what land does not. We should be looking at such things as increased farm size, which is causing the price of land to go up. We should be looking at foreign investment in farm land. We should be looking at speculation in farm land. Many people are buying land as a haven from inflation and have no intention of farming it. However, they are willing to pay almost anything for that land.

In closing, I wish to reiterate that agriculture is in a crisis situation which is approaching disaster. The band-aid solutions the government has used to try to stop this disaster are just not working. Farmers are being forced out of the industry on a daily basis. There will be a much greater movement out of farming throughout this year as well as when the effects of high interest rates are felt after the end of this crop year. What we are doing with this motion is calling on the government to put before this House a planned policy for agriculture which would deal with the problems of agriculture on a co-ordinated and far-reaching basis so that farmers can remain farmers and farm families can stay together.

Mr. Murray Cardiff (Huron-Bruce): Mr. Speaker, one of the problems, which has plagued Canadian agriculture for decades, as all hon. members ought to know, is that Canadian farms have been losing their youthful population to the cities, where shorter working hours and higher wages have made the hard and risky life of farming seem an unfair burden. We have always had such an abundance of cheap food in this country that we have as a country been able to put this problem on the back burner, paying only lip service to the crisis toward which this situation was building. Today, June 3, 1981, we may see recorded in the census a welcome reversal of the trend of past